

Minutes of the Regular Work Session of the
Board of Mayor and Aldermen, City of Kingsport, Tennessee
Monday, October 25, 2010, 4:30 PM
Council Room – City Hall

PRESENT:

Board of Mayor and Aldermen

Mayor Dennis R. Phillips
Alderman Valerie Joh
Alderman Larry A. Munsey

Alderman Tom C. Parham
Alderman Jantry Shupe
(left at 6:00 p.m.)

City Administration

John G. Campbell, City Manager
J. Michael Billingsley, City Attorney
James H. Demming, City Recorder

1. **CALL TO ORDER:** 4:30 p.m., by Mayor Phillips.
2. **ROLL CALL:** By Deputy City Recorder Angie Marshall. Absent: Vice-Mayor Benjamin K. Mallicote and Alderman C. Ken Marsh, Jr.
3. **WORK SESSION TICKLER.** Mayor Phillips noted the Netherland Inn Bump Out design was underway. Alderman Shupe pointed out that the proposed traffic calming plan on Truxton Drive was requested by several residents in the area.
4. **SCHOOL ENERGY MANAGEMENT POSSIBILITIES AND UPDATE ON CITY ENERGY MANAGEMENT PHASE II.** City Manager Campbell stated the City Energy Management Phase II was a fairly comprehensive plan, involving several buildings throughout the city. Russ Nelson with Energy Systems Group gave a presentation highlighting the use of energy efficiency, technology and renewable energy at several locations, including Bays Mountain Park, City Hall, the Civic Auditorium and the Fire Station. He stated they were pleased with the progress made and most of the project has been completed. Mr. Nelson then gave a second presentation regarding recommendations from an engineering study developed for Kingsport City Schools. Project goals included reducing energy/operating costs to counteract rising utility costs, addressing the aging HVAC systems, monitoring energy use better and defining a budget neutral funding approach with a guarantee of savings. He outlined a two-phase plan of recommendations with phase one focusing on upgrading the energy management system, electric/water meter monitoring and new lighting. Phase two could be implemented later to replace appliances and windows. He stated that Kingsport was one of three cities in Tennessee that had been approved for an Energy Efficient Schools Initiative Loan (funded through the Tennessee Lottery) for \$5 million at ¾% interest rate for 12 years. Payment would not begin until 60 days after completion. Mr. Nelson estimated that phase one could be finished by August 2011 before the next school year begins. ESG guarantees a 90% savings in annual utilities. Alderman Munsey commented that the city should have an audit process to verify these savings periodically. Mayor Phillips asked when this would be formally presented to the BMA. Superintendent Dr. Richard Kitzmiller replied as soon as possible, hopefully by next week's agenda, noting the debt service payments would be covered by reduced utility costs, therefore no payment would be needed from the city.

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At this time, Mayor Phillips requested that the agenda items regarding the rezoning of a parcel located on Fort Henry Drive be considered, out of order, to accommodate those in attendance for discussion on these action items. See 8.VI.AA.1

5. UNITED WAY UPDATE. City Manager Campbell commented the City is doing well so far, noting that 200 givers have donated \$29,364 which is 90% of what was given last year. 85% of those who gave last year have participated thus far.

6. GREENBELT ENHANCEMENT OVERVIEW. Sarah Hedstrom of Hedstrom Design presented this item, highlighting a vegetation enhancement plan along the greenbelt trail. The goal was to create a more "park-like" experience by ultimately designating one "park" area approximately every mile. These "destinations" would encourage visitors to stop and gather (to eat lunch or bird-watch) rather than to keep moving. Some suggestions included adding seasonal berry bushes, bench placement and screening through the use of trees and ivy. Alderman Joh commended the idea of enhancing what is already there. Alderman Munsey noted that maintenance should be considered and also suggested an ordinance to prohibit citizens with adjoining property from detracting from the greenbelt's appearance. Mayor Phillips asked what the cost was going to be and City Manager Campbell replied that a final contract has not been worked out, but approval was desired from the BMA that they were on the right track.

7. GIBSON MILL PHASE 4 UPDATE. Assistant Public Works Director Michael Thompson gave details on this item stating we were well into the design phase, picking up where phase three ended at Millpond Street and continuing to the Watauga roundabout. One issue that was discussed was the need to close Broad Street. Mayor Phillips noted that some residents would not be able to get out of their driveway in the rain and wanted this topic addressed further. Alderman Joh asked how the road would be closed and Mr. Thompson replied with curbing and a standard red diamond with reflectors. With BMA approval, Mr. Thompson said the next step was property appraisals and the project could be bid out in the spring. City Manager Campbell verified to Alderman Munsey that money was already appropriated.

8. REVIEW OF AGENDA ITEMS ON OCTOBER 26, 2010 REGULAR BUSINESS AGENDA. City Manager Campbell, members of staff and community members provided a summary or presentation for each item on the proposed agenda. Those items the Board discussed at greater length or which received specific questions or concerns included:

VI.AA.1 Public Hearing and Consideration of an Ordinance to Amend Zoning of a Portion of Parcel 5.00 in Tax Map 77-H Located on Ft. Henry Dr. from R-1B Zoning to B-3 Zoning (AF: 321-2010) City Planner Forrest Koder gave a presentation on this item. He noted that the Planning Commission at their September meeting voted 5-3 to send an unfavorable recommendation for the rezoning of this parcel citing safety concerns regarding sight distance for ingress/egress to this property. This issue was forwarded to traffic engineering who recommended that 496 feet of sight distance would be required at the

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speed limit of 45 miles per hour. There is currently 570 feet. Mr. Koder gave historical background on the land use plans for this property. He added that city staff recommended the rezoning, noting the adjacent property to the south is also zoned as B-3. Alderman Parham suggested coming up with a comprehensive zoning plan for the corridor between Hammond Bridge and John B. Dennis Highway. Some discussion followed before citizens were asked to speak on this issue. When Mayor Phillips called for those opposed, Rob Montgomery, who has family nearby, stated that Fort Henry Drive was a major entrance into the City and it should look as nice and welcoming as possible. He also noted safety concerns and protecting residents entering this particular neighborhood. When asked who was in favor, Bill and Michelle Cox, owners of the property in question, both spoke in regards to their automotive shop and the care and concern they are taking to make its appearance neat, clean and pleasant. Bryan Larkins of American Heritage Realty has owned adjacent property since 1995. He noted he has had no safety issues pulling into and out of his lot. He also stated he had zero objections to this rezoning and highly recommended the BMA approve it. Mayor Phillips pointed out that since the Planning Commission voted unfavorably for this rezoning, the BMA would have to receive four votes to pass this, even if all of the Aldermen weren't present. He encouraged everyone to drive out and look at it tomorrow. Responding to a question from Mayor Phillips, Mr. Koder remarked that if the BMA approves this rezoning, the Planning Commission still has to approve the site plan for this property.

VI.B.5 Consideration of a Budget Ordinance to Amend the General Fund by Transferring Funds from various projects to the Rock Springs Road Project (GP0920) (AF: 341-2010) City Manager Campbell stated this took money from closed projects to ensure adequate funds were in place to continue with this road improvement project.

VI.B.6 Consideration of a Resolution Authorizing a Three Year Capital Outlay Note and an Ordinance Appropriating Funds from the Fleet Fund for the Purchase of the Voice Over Internet Protocol Telephone System (AF: 319-2010) Assistant to the City Manager Chris McCartt reminded the Board that this item allows for the replacement of the city's outdated phone system along with the computer system, which will soon need to be updated also. Although they were previously receptive, the Board had asked for a cost analysis and the best approach to move forward. Owens Consulting rated the return on investment for this purchase favorably, as well as recommending the best way to purchase was via an interfund loan. This would allow the City to pay the debt service and the line cost while saving money. Staff recommends approval of awarding the bid to BCTI and moving forward with the interfund loan process. City Manager Campbell noted a budget pickup in five years of \$100,000 when the equipment costs run out.

VI.D.1 Consideration of a Resolution Approving Renewal of Recycling Services Agreement with Tri-City Waste Paper, Inc. for Curbside Collection of Recyclable Materials Program and Authorizing the Mayor to Execute all Applicable Documents (AF: 334-2010) City Manager Campbell stated that although we have used this company before, we are continuing to study alternative means of dealing with recycling, but at this point feel that this is our best option. Responding to a question from Alderman Munsey, Mr. Campbell confirmed there is no price increase and no enhancement to the program.

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VI.D.2 Consideration of a Resolution Approving a Change Order to L & H Company for Exterior Signage Fabrication (Wayfinding Sign Program Phase I) and Authorizing the City Manager to Sign all Applicable Documents (AF: 335-2010) City Manager Campbell elaborated on the changes made to two of the gateway signs, noting they were bigger and wording had been added to the bottom highlighting historical significance, incorporation date and population. Noting other events that have taken place, Mr. Campbell stated that we were still within the budget.

VI.D.3 Consideration of a Resolution to Authorize Participation in the Cooperative Purchasing Network and Authorize the Mayor to Sign All Applicable Documents (AF: 344-2010) City Manager Campbell remarked TCPN was used very commonly by the school system. A benefit is that TCPN has Office Depot as a major supplier at almost \$300,000 in office supplies annually and they are a local supplier as well.

VI.D.4 Consideration of a Resolution Authorizing the Mayor to Execute a Landlord Estoppel Certificate and Consent (AF: 342-2010) City Manager Campbell stated this is a legal detail requested by the bank before they will loan money to the Lifesaving Crew for its expansion on property they are leasing from the city.

VI.D.5 Consideration of a Resolution Authorizing the Mayor to Execute an Agreement for Planning Services with Mount Carmel (AF: 345-2010) City Manager Campbell stated Mount Carmel was very pleased with previous planning services. City Attorney Billingsley clarified for Alderman Munsey that the \$6,800 covered all costs involved and not just labor.

VI.D.7 Consideration of a Resolution Authorizing the Mayor to Execute all Necessary and Proper Documents to Renew the Agreement with United Healthcare for Medicare Advantage Insurance (AF: 337-2010) City Attorney Billingsley noted this was for retirees who take Medicare and that our cost was going from \$86,000 a year to \$0 with the same coverage. He further commented that this was a benefit from the Affordable Healthcare Act from earlier this year which cut out government subsidies.

VI.D.8 Consideration of a Resolution Authorizing the Purchase of the Neil Property Adjacent to the Demolition Landfill and Authorize the Mayor to Execute a Purchase Agreement and Sign all Applicable Documents (AF: 346-2010) City Manager Campbell gave details on this item noting a similar purchase was made a year ago of adjacent property to the landfill but the Neil property was priced too high at that time. Since then, it has been auctioned by Regions Bank, although the bids were rejected because a minimum bid of \$140,000 was not received. The property appraised for \$310,000. A local realtor has advised the City to offer \$120,000, which is \$800 less per acre than what we paid a year ago. Another benefit is its proximity to Brookside Industrial Park. Alderman Munsey asked for clarification regarding the amount of money being funded through bonds and the fund balance. Mr. Campbell stated Judy Smith would have a summary of more exact figures for the regular business meeting tomorrow night. The general consensus was this appeared to be a good deal and we should go ahead and buy it. Mayor Phillips also commented on the property at the end of Ridgefields Bridge offered to the City by King College for


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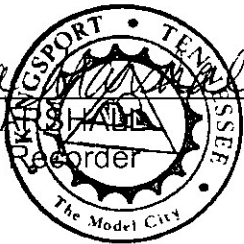
\$150,000. The BMA has asked if payment could be made in installments since it was not in the original budget. Alderman Munsey remarked we should go ahead and buy it even if they say no. Discussion ensued noting the price and value of land will only increase.

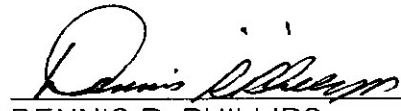
BOARD COMMENT. None

PUBLIC COMMENT. Mary McNabb invited Board members to the Senior Center on Wednesday the 27th at 12:30 p.m. to celebrate the Center's 50th anniversary. There will be a cake and punch reception as well as some entertainment.

9. ADJOURN. Seeing no other matters presented for discussion at this work session, Mayor Phillips adjourned the meeting at 6:35 p.m.


ANGELA MARSHALL
Deputy City Recorder

The seal of Kingsport, Tennessee, is circular. It features a central emblem with a mountain and a river, surrounded by the words "KINGSPORT • TENNESSEE". Below the emblem, it says "The Model City".


DENNIS R. PHILLIPS
Mayor